

PM'S PERFORMANCE IN C-STORES WEEKLY C-STORE AUDITS W/E 3/5/94

- PM's share declined -0.6 points versus week-ago to 47.7% with losses to Marlboro and Discount brands. On a four week basis, PM advanced +0.4 points to 48.1%.
- Marlboro experienced a -0.4 point decline week-to-week to 30.5%. The percent of stores with a Marlboro incentive offer declined -4 points versus week-ago and -8 points during the past two weeks to 11%.
- PM Other Premium Brand's share was relatively stable versus week ago at 7.8%.
- PM's Discount share declined -0.2 points versus week-ago to 9.5%.
- RJR's weekly share gained +0.5 points versus week-ago, driven in part by Doral (+0.2 points). Doral free product share increased to 35%, up +0.2 points versus week-ago, with 11% of stores offering the deal.
- The Discount category's share increased +0.2 points versus week-ago, likely influenced by the "first-week-of-the-month" effect, as both Private Label and Branded Discount segments gained. On a four week basis, the category declined -0.2 points versus four weeks ago to 32.7%.

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BENCHMARKS - TOTAL US NIELSEN WEEKLY C-STORE AUDITS

	<u>Benchmarks</u>	<u>4 Weeks Ending 5-Mar</u>	<u>Current vs. Benchmark</u>
Philip Morris	45.7 (lower limit)	48.1	2.4 Favorable
Marlboro	28.5 (lower limit)	30.6	2.1 Favorable
OPB	7.7 (lower limit)	7.9	0.2 Favorable
Virginia Slims	2.3 (lower limit)	2.3	0.0 Favorable
Benson & Hedges	2.3 (lower limit)	2.2	0.1 Unfavorable
Merit	2.6 (lower limit)	2.7	0.1 Favorable
Parliament	0.4 (lower limit)	0.5	0.1 Favorable
Basic - Shr. of Discount	17.3 (lower limit)	16.8	0.5 Unfavorable
Discount Category	+2.0 Pts. (upper limit)*	32.7	1.7 Favorable
Private Label	10.0 (upper limit)	9.2	0.8 Favorable
Lowest Disc. Price **	\$1.34 (lower limit)	\$1.34	\$0.00 Favorable
Absolute Price Gap ***	\$0.57 (upper limit)	\$0.57	\$0.00 Favorable

* Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.4%.

** Source: Nielsen Weekly Pricing Audits (linear average)

*** Marlboro versus lowest Discount.

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C-store bench

NIELSEN WEEKLY C-STORE AUDIT DATA
(400 C-Stores)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>			
Base March 1993	42.54	33.26	12.09	4.77	6.09	1.24			
March 5, 1994 (4WM)	<u>48.07</u>	<u>28.97</u>	<u>10.33</u>	<u>5.08</u>	<u>6.29</u>	<u>1.18</u>			
	5.53	(4.29)	(1.76)	0.31	0.20	(0.06)			
<u>CATEGORY</u>	Premium	Discount	Branded	Private					
Base March 1993	60.61	39.39	28.86	10.53					
March 5, 1994 (4WM)	<u>67.32</u>	<u>32.68</u>	<u>23.46</u>	<u>9.22</u>					
	6.71	(6.71)	(5.40)	(1.31)					
<u>MAJOR BRANDS</u>	Marlboro	PM OPB	Winston	Select	Camel				
Base March 1993	24.34	7.91	5.26	0.59	4.15				
March 5, 1994 (4WM)	<u>30.63</u>	<u>7.89</u>	<u>5.77</u>	<u>1.14</u>	<u>4.52</u>				
	6.29	(0.02)	0.51	0.55	0.37				
<u>MAJOR BRANDS</u>	Newport	Kool	Salem	Vantage	Now				
Base March 1993	4.24	3.52	3.61	1.33	0.46				
March 5, 1994 (4WM)	<u>4.44</u>	<u>3.35</u>	<u>3.68</u>	<u>1.16</u>	<u>0.40</u>				
	0.20	(0.17)	0.07	(0.17)	(0.06)				
<u>BRANDED DISCOUNTS</u>	Basic	Cambridge	Alpine	Doral	Misty	Montclair	Monarch	Best Value	GPC
Base March 1993	4.90	1.51	0.47	3.60	0.70	0.85	3.53	2.67	5.68
March 5, 1994 (4WM)	<u>5.50</u>	<u>1.21</u>	<u>0.34</u>	<u>3.67</u>	<u>0.82</u>	<u>1.06</u>	<u>2.45</u>	<u>0.88</u>	<u>4.67</u>
	0.60	(0.30)	(0.13)	0.07	0.12	0.21	(1.08)	(1.79)	(1.01)
<u>PRIVATE LABEL</u>	PM	RJR	Liggett	American					
Base March 1993	2.62	6.96	0.39	0.56					
March 5, 1994 (4WM)	<u>2.12</u>	<u>5.46</u>	<u>0.71</u>	<u>0.92</u>					
	(0.50)	(1.50)	0.32	0.36					

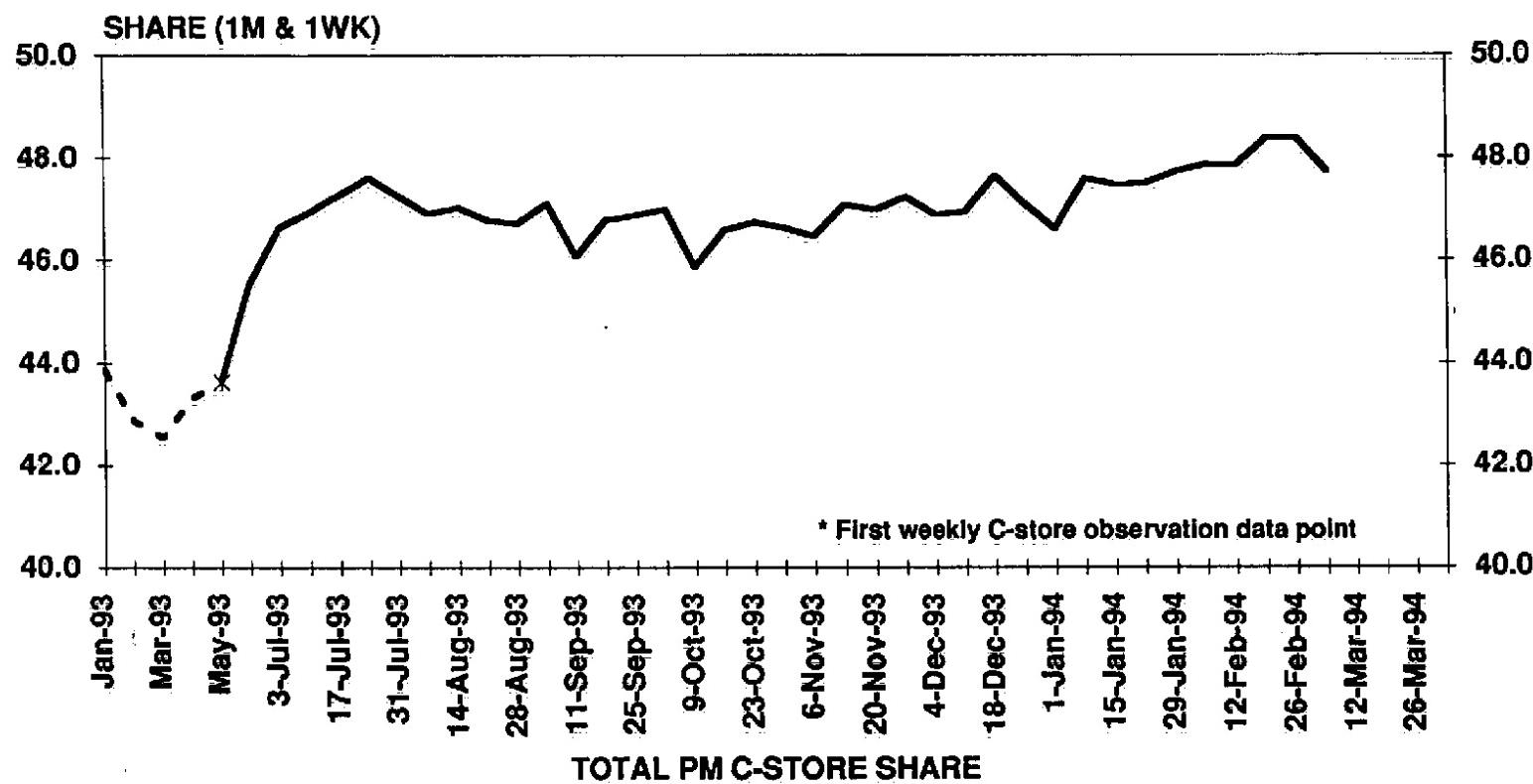
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NIELSEN WEEKLY C-STORE AUDIT DATA
(400 C-Stores)

COMPANY	PM	RJR	B&W	American	Lorillard	Liggett			
Base July 1993	46.76	31.06	10.72	4.89	5.47	1.01			
March 5, 1994 (4WM)	<u>48.07</u>	<u>28.97</u>	<u>10.33</u>	<u>5.08</u>	<u>6.29</u>	<u>1.18</u>			
	1.31	(2.09)	(0.39)	0.19	0.82	0.17			
CATEGORY	Premium	Discount	Branded	Private					
Base July 1993	64.33	35.67	26.67	9.00					
March 5, 1994 (4WM)	<u>67.32</u>	<u>32.68</u>	<u>23.46</u>	<u>9.22</u>					
	2.99	(2.99)	(3.21)	0.22					
MAJOR BRANDS	Marlboro	PM OPB	Winston	Select	Camel				
Base July 1993	28.93	7.49	5.96	0.57	4.34				
March 5, 1994 (4WM)	<u>30.63</u>	<u>7.89</u>	<u>5.77</u>	<u>1.14</u>	<u>4.52</u>				
	1.70	0.40	(0.19)	0.57	0.18				
MAJOR BRANDS	Newport	Kool	Salem	Vantage	Now				
Base July 1993	3.76	3.34	3.43	1.23	0.44				
March 5, 1994 (4WM)	<u>4.44</u>	<u>3.35</u>	<u>3.68</u>	<u>1.16</u>	<u>0.40</u>				
	0.68	0.01	0.25	(0.07)	(0.04)				
BRANDED DISCOUNTS	Basic	Cambridge	Alpine	Doral	Misty	Montclair	Monarch	Best Value	GPC
Base July 1993	5.54	1.54	0.39	3.80	0.83	0.91	3.10	1.53	4.75
March 5, 1994 (4WM)	<u>5.50</u>	<u>1.21</u>	<u>0.34</u>	<u>3.67</u>	<u>0.82</u>	<u>1.06</u>	<u>2.45</u>	<u>0.88</u>	<u>4.67</u>
	(0.04)	(0.33)	(0.05)	(0.13)	(0.01)	0.15	(0.65)	(0.65)	(0.08)
PRIVATE LABEL	PM	RJR	Liggett	American					
Base July 1993	2.25	5.66	0.38	0.71					
March 5, 1994 (4WM)	<u>2.12</u>	<u>5.46</u>	<u>0.71</u>	<u>0.92</u>					
	(0.13)	(0.20)	0.33	0.21					

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PM'S SHARE DECLINED -0.6 POINTS VERSUS WEEK AGO TO 47.7%, WHILE ON A FOUR WEEK BASIS PM POSTED A +0.4 POINT ADVANCE TO 48.1%.



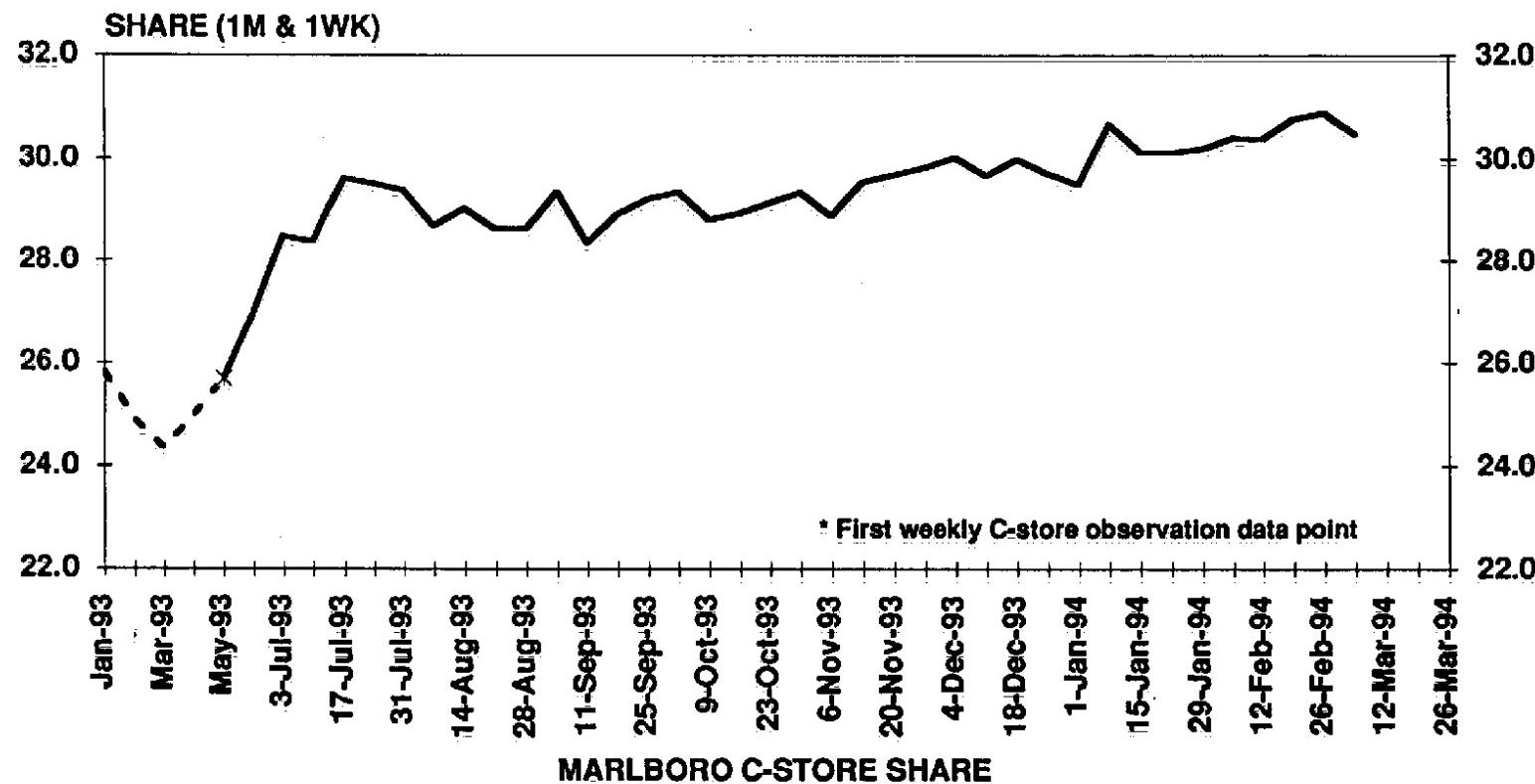
Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 1

MARLBORO EXPERIENCED A -0.4 POINT DECLINE WEEK-TO-WEEK TO 30.5%.



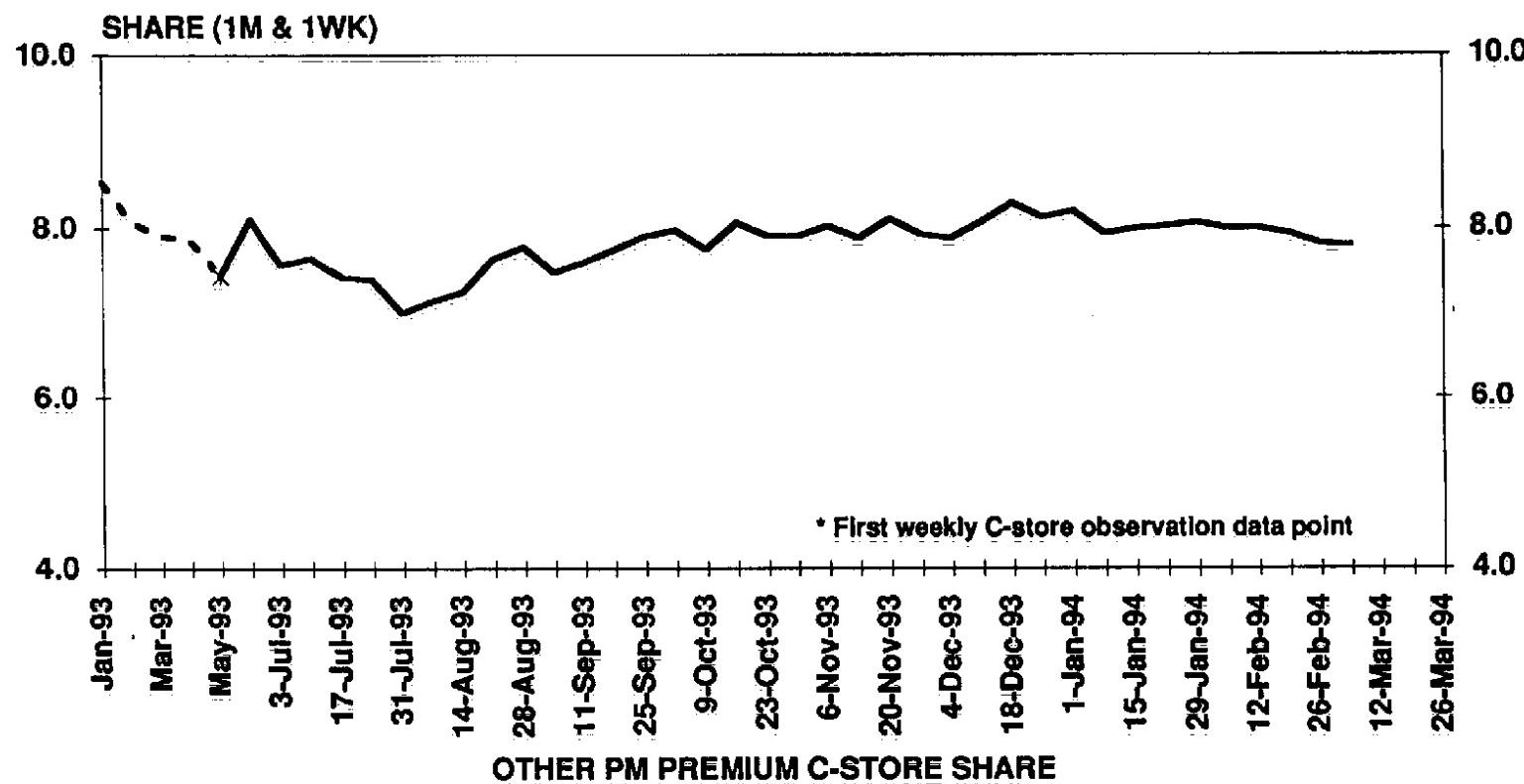
Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen C-store weekly Chart 4

PM OTHER PREMIUM BRAND'S SHARE WAS RELATIVELY STABLE VERSUS WEEK AGO AT 7.8%.



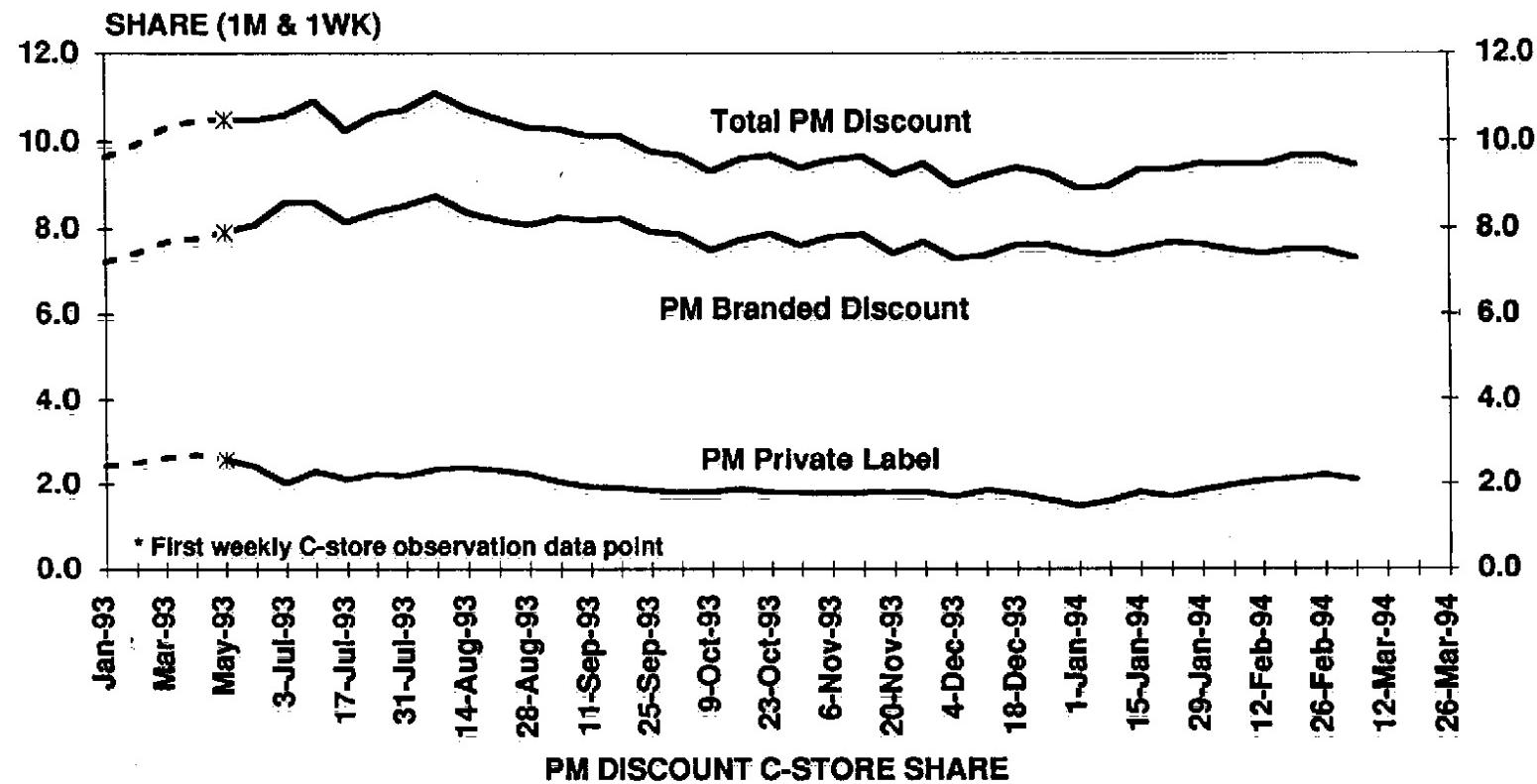
Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 2

PM'S DISCOUNT SHARE DECLINED -0.2 POINTS VERSUS WEEK-AGO TO 9.5%.



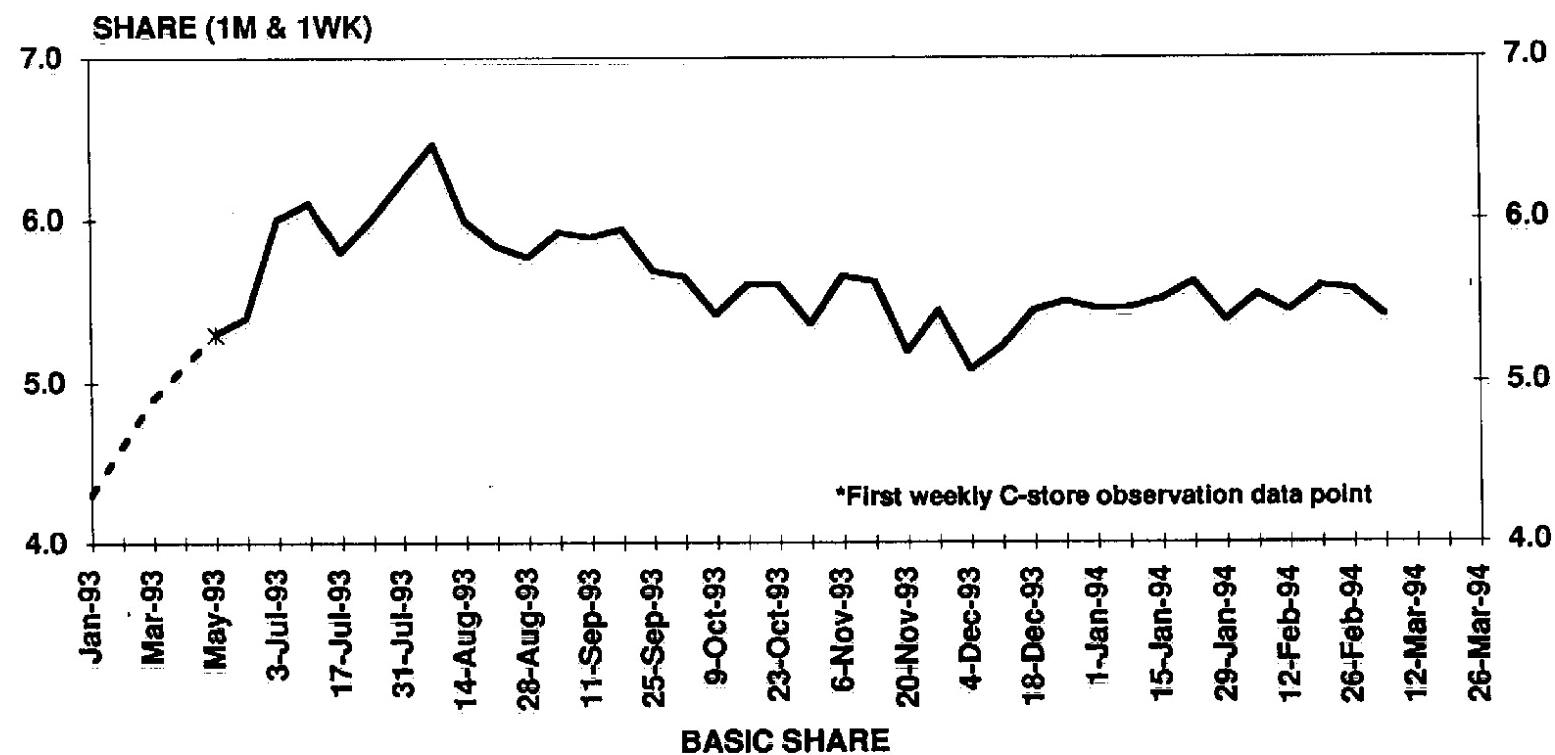
Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 3

BASIC'S SHARE IN CONVENIENCE STORES WAS 5.4%, DOWN -0.2 POINTS VERSUS WEEK-AGO.

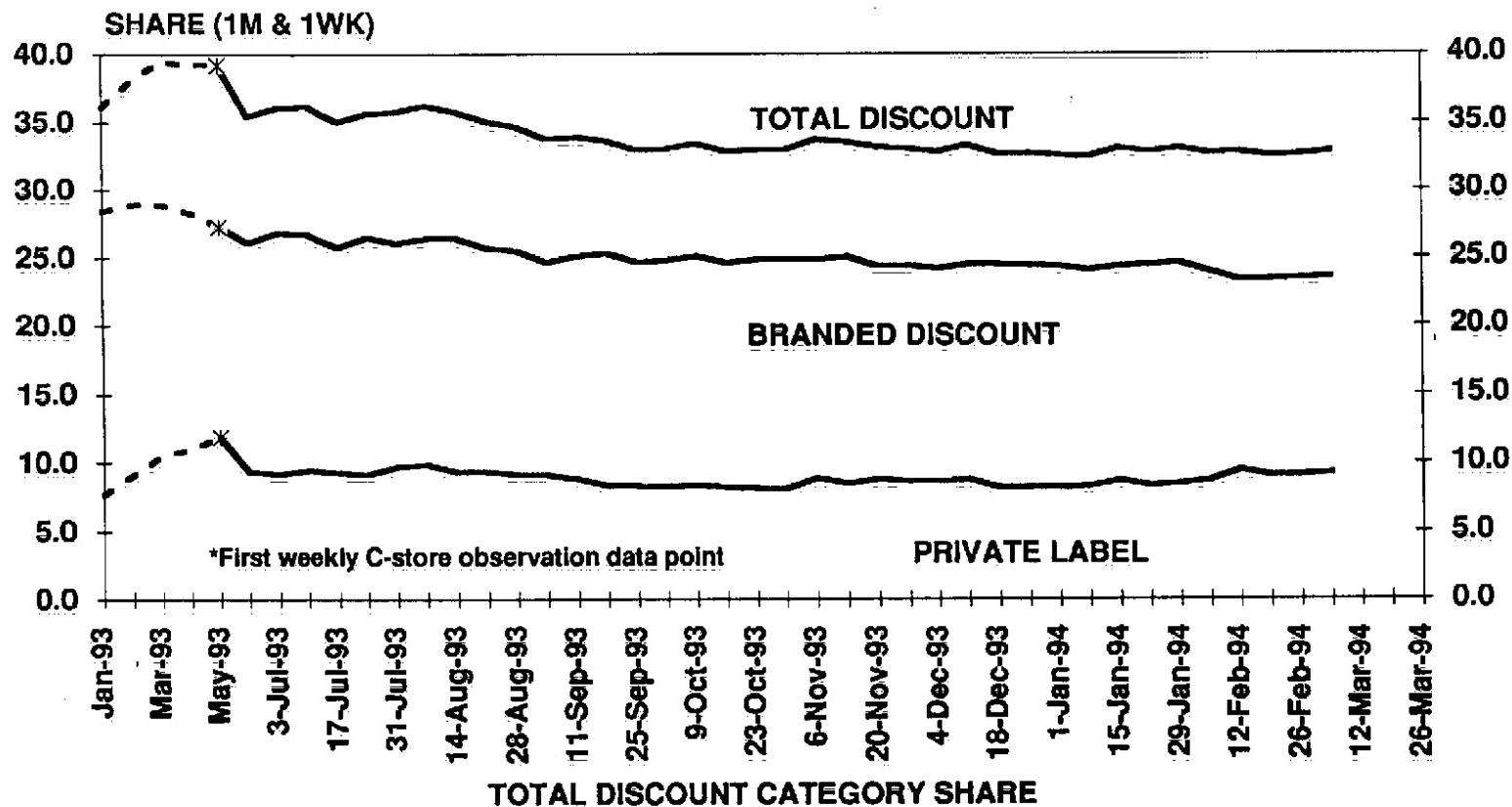


Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 8

THE DISCOUNT CATEGORY'S SHARE GAINED +0.2 POINTS VERSUS WEEK-AGO DRIVEN BY GAINS IN BRANDED DISCOUNT (+0.1) AND PRIVATE LABEL (+0.1).



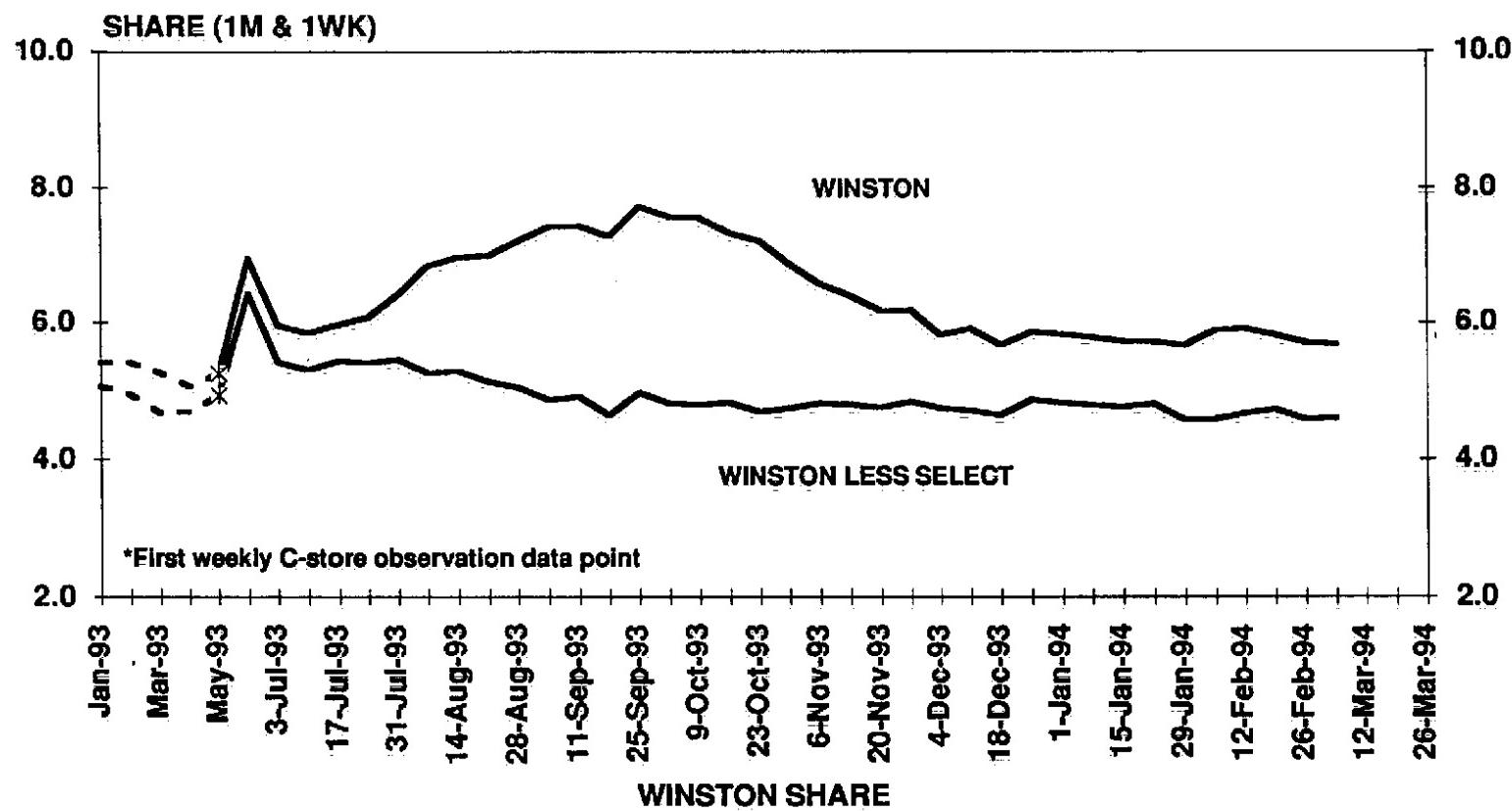
Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 6

WINSTON'S SHARE THIS WEEK IN C-STORES WAS 5.7%, RELATIVELY STABLE VERSUS WEEK-AGO.



Note: monthly share data is based on the same 400 store sample as the weekly share information.

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Source: Nielsen Monthly Audit, Nielsen Weekly C-Store Audit

Nielsen Cstore weekly Chart 10

TOTAL INDUSTRY FREE PRODUCT REMAINED AT 1.1%. DESPITE A WINSTON SELECT FREE PRODUCT DECLINE OF -0.1 POINTS, RJR INCREASED TO 0.8%, UP +0.1 POINTS VERSUS WEEK-AGO, DRIVEN BY A +0.2 POINT GAIN IN DORAL. BASIC'S FREE PRODUCT DECREASED TO 0.1%, DOWN -0.1 POINTS VERSUS WEEK-AGO.

	1994												
	12/11	12/18	12/25	1/1	1/8	1/15	1/22	1/29	2/5	2/12	2/19	2/26	3/5
Total Industry	0.91	0.81	1.02	0.92	0.80	0.77	1.01	1.03	0.94	0.92	1.07	1.09	1.07
Total RJR	0.54	0.43	0.40	0.60	0.63	0.55	0.74	0.73	0.65	0.69	0.70	0.67	0.78
Total Winston	0.30	0.15	0.15	0.09	0.06	0.07	0.13	0.20	0.32	0.42	0.34	0.35	0.23
Total Camel	0.02	0.03	0.09	0.37	0.45	0.38	0.35	0.24	0.22	0.21	0.28	0.15	0.18
Total Doral	0.15	0.20	0.14	0.14	0.09	0.09	0.16	0.10	0.03	0.04	0.05	0.16	0.35
Monarch	0.06	0.06	0.02	0.01	0.02	0.02	0.09	0.18	0.07	0.02	0.03	0.01	.001
Total PM	0.13	0.05	0.10	0.06	0.09	0.12	0.17	0.18	0.19	0.11	0.21	0.24	0.11
PM Premium	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.01	0.00	0.00	0.00
PM Discount	0.10	0.05	0.10	0.05	0.09	0.12	0.17	0.18	0.16	0.10	0.21	0.24	0.11
Total Lorillard	0.12	0.22	0.43	0.19	0.04	0.06	0.04	0.02	0.02	0.06	0.04	0.01	0.01
Total B&W	0.11	0.07	0.05	0.04	0.02	0.02	0.05	0.10	0.07	0.05	0.09	0.07	0.09
Total American	0.01	0.04	0.03	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.10	0.08

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SOURCE: NEILSEN WEEKLY C-STORE AUDIT

Free Prod Chart